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For Immediate Release

FCC PROPOSES MODERNIZING FUNDING MECHANISM FOR INTERNET-BASED TELECOMMUNICATIONS RELAY SERVICES

Proposed Rules Would Compute TRS Fund Contributions for Video Relay Service and IP Relay Based on Total End-User Revenue, Including Intrastate Revenue

WASHINGTON, November 18, 2020—The FCC today approved a Notice of Proposed Rulemaking (NPRM) to revise the funding structure of two Internet-based Telecommunications Relay Services (TRS)—Video Relay Service (VRS) and Internet Protocol Relay Service (IP Relay).

VRS and IP Relay, which provide functionally equivalent telephone service for many Americans who are deaf, hard of hearing, or deaf-blind, or have speech disabilities, are currently supported by TRS Fund contributions from all providers of interstate telecommunications and voice over Internet Protocol (VoIP) services.

These relay services were launched two decades ago with an interim funding mechanism in which each telecommunications or VoIP provider pays to the TRS Fund based on a percentage of its interstate end-user revenues—even though the services are used for both interstate and intrastate calling. The Communications Act generally provides that TRS costs will be recovered from both interstate and intrastate calls. In 2019, the Commission revised similar interim funding rules for another form of TRS—Internet Protocol Captioned Telephone Service (IP CTS)—to include intrastate revenues, after finding that the interim funding mechanism unfairly burdened interstate services.

Today's NPRM proposes a similar expansion of the TRS Fund contribution base for VRS and IP Relay to include intrastate telecommunications and VoIP revenues. The proposed rule change would distribute the \$575 million annual cost of these services more equitably among telecommunications providers and users, helping to maintain the long-term sustainability of the TRS Fund and the important services it provides, all without increasing the size of the Fund.

Action by the Commission November 18, 2020 by Notice of Proposed Rulemaking (FCC 20-161). Chairman Pai, Commissioners O'Rielly, Carr, Rosenworcel, and Starks approving. Chairman Pai and Commissioner O'Rielly issuing separate statements.

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